

KELLEY DRYE & WARREN LLP
101 Park Avenue
James S. Carr (JC-1603)
Howard S. Steel (HS-5515)
New York, NY 10178
Tel: (212) 808-7800
Fax: (212) 808-7897

Hearing Date: June 26, 2007, at 10:00 a.m.
Response Deadline: June 19, 2007, at 4:00 p.m.

Counsel for Sojitz Corporation of America

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
DELPHI CORPORATION, <i>et al</i>	Case No. 05-44481 (RDD)
Debtors.	(Jointly Administered)

**RESPONSE OF SOJITZ CORPORATION OF AMERICA TO
DEBTORS' FIFTEENTH OMNIBUS CLAIMS OBJECTION**

Sojitz Corporation of America (the “Claimant”), by and through its attorneys, Kelley Drye & Warren LLP, hereby files this Response to that Fifteenth Omnibus Claims Objection, dated May 22, 2007, of Delphi Corporation and certain of its subsidiaries and affiliates (collectively, the “Debtors”). In support of the Response, the Claimant respectfully states as follows:

PRELIMINARY STATEMENT

1. The Claimant has satisfied its initial burden of proof by filing a properly executed and documented proof of claim against Delphi Automotive Systems LLC (the “Claim”) alleging a secured claim in the amount of \$55,000 and an unsecured claim in the amount of \$71,344.36. The Objection fails to provide a sufficient factual basis for the Debtors’ attempt to expunge the \$55,000 secured portion of the Claim. The Claimant does not, however, contest the reduction of

the unsecured portion of the Claim from \$71,344.36 to \$50,493.75. The Objection should therefore be denied to the extent it seeks to expunge the secured portion of the Claim.

2. The Objection also fails to provide a sufficient factual basis to support the Debtors' attempt to shift the Claim from Delphi Automotive Systems LLC to ASEC Manufacturing General Partnership. The Claim is properly asserted as filed against Delphi Automotive Systems LLC.

BACKGROUND

3. On July 26, 2006, the Claimant filed the Claim (Claim No. 11606) for a secured claim in the amount of \$55,000 and an unsecured amount of \$71,344.36 against Delphi Automotive Systems LLC. The secured claim arises from cash on hand and the right to setoff, and the unsecured claim for outstanding amounts due to Claimant under the Amendment Agreement, dated February 1, 2006, between Claimant and Delphi Automotive Systems LLC (the "Amendment Agreement"). A copy of the Claim is attached hereto as Exhibit A.

4. On May 22, 2007, the Debtors filed the Objection which seeks, among other things, to expunge the secured claim, reduce the unsecured claim, and to modify the Claim so that it is asserted against ASEC Manufacturing General Partnership. For the reasons set forth below, the Claimant objects to the relief requested in the Objection, and asks the Court to deny the Objection and allow the Claim for a secured amount of \$55,000, and an unsecured amount of \$50,493.75 against Delphi Automotive Systems LLC.

RESPONSE

5. The Debtors' request to expunge the secured claim and shift the Claim from Delphi Automotive Systems LLC to ASEC Manufacturing General Partnership is not only

inappropriate, but devoid of any factual or legal basis.¹ The Debtors have failed to adduce any evidence that the Claim is invalid, that the Claim was improperly filed, or that the supporting documentation provided by the Claimant was lacking in any respect. To establish an allowed claim, both the liability and the specific amount owing must be proven. The initial burden of proof relative to a debtor's liability to a claimant and the specific amount due is, naturally, upon the claimant. The debtor then has the burden of demonstrating the basis for an objection to a timely filed claim.

6. The proof of claim evidencing the Claim was signed by Takashi Tsukada, Chief Financial Officer of Claimant, attesting to the outstanding amounts owed to the Claimant. Thus, the Claimant provided sufficient evidence supporting the validity of the Claim.

7. The Objection merely states that the Debtors dispute the amount of the Claim and the corporate obligor for the Claim. Pursuant to section 502(a) of the Bankruptcy Code, a proof of claim is deemed to be allowed unless a party in interest objects. 11 U.S.C. § 502(a). Bankruptcy Rule 3001(f) explicitly states, “[a] proof of claim executed and filed in accordance with these rules shall constitute *prima facie* evidence of the validity and the amount of the claim.” Under this Bankruptcy Rule, a claim is presumed valid until an objecting party has introduced evidence sufficient to rebut the claimant’s *prima facie* case. See *In re Fidelity Holding Co., Ltd.*, 837 F.2d. 696, 698 (5th Cir. 1988); *In re Inter-Island Vessel Co., Inc.*, 98 B.R. 606, 608 (Bankr. D. Mass. 1988).

8. The burden of proof then shifts to the debtor to produce sufficient evidence to negate the *prima facie* validity of the claim. *In re Reilly*, 245 B.R. 768, 773 (2d Cir. BAP 2000);

¹ Because the Claimant agrees with the proposed reduction of the unsecured claim from \$71,344.36 to \$50,493.75, this Response deals with the Debtors' attempt to expunge the secured claim and shift the corporate obligor for the Claim.

In re Michigan-Wisconsin Transp. Co., 161 B.R. 628, 636 (Bankr. W.D. Mich. 1993) (“[A] party objecting to a claim must present affirmative evidence to overcome the presumptive validity of a properly filed proof of claim”). An objecting party, such as the Debtors, must present contradictory evidence of at least equivalent value to the evidence supporting the proof of claim, before the burden of demonstrating the validity of the claim shifts to the creditor. *In re Holm*, 931 F.2d 620, 623 (9th Cir. 1991); *In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992); *In re Nejedlo*, 2005 WL 941534 (Bankr. E.D. Wisc. Apr. 14, 2005); *In re Nat'l Steel Corp.*, 321 B.R. 901, 905 (Bankr. N.D. Ill. 2005) (In practice, the objector must produce evidence which, if believed, would “refute at least one of the allegations that is essential to the claim’s legal sufficiency.”) (*quoting Allegheny Int'l, Inc.*, 954 F.2d at 173). Thus, unless the objecting party introduces evidence as to the invalidity of the claim or the excessiveness of the amount, the claimant need offer no further proof of the merits of the claim.

9. Here, the Objection was not supported by an affidavit of a person with personal knowledge of the Debtors’ books and records, or any detailed explanation as to the basis for expunging the secured portion of the claim, or the reclassification of the Claim to ASEC Manufacturing General Partnership. The Objection fails to shift the burden to the Claimant to prove the validity of the Claim. As such, the Claimant requests that the Court overrule the Objection and allow the Claim for a secured amount of \$55,000, and an unsecured amount of \$50,493.75 against Delphi Automotive Systems LLC.

WHEREFORE, the Claimant respectfully requests that this Court enter an Order (i) reducing from \$71,344.36 to \$50,493.75 and allowing the unsecured portion of the Claim, allowing the Claim for a secured amount of \$55,000, and keeping the Claim as filed against Delphi Automotive Systems LLC; and (ii) granting the Claimant such other and further relief as may be just and proper.

Date: New York, New York
June 19, 2007

KELLEY DRYE & WARREN LLP

By: /s/ James S. Carr
James S. Carr (JC-1603)
Howard S. Steel (HS-5515)
101 Park Avenue
New York, NY 10178
Tel: (212) 808-7800
Fax: (212) 808-7897

COUNSEL FOR SOJITZ CORPORATION OF
AMERICA

CERTIFICATE OF SERVICE

On June 19, 2007, I caused the service of the **Response of Sojitz Corporation of America, to Debtors' Fifteenth Omnibus Claims Objection**; upon the parties below via hand delivery, overnight mail and telecopier:

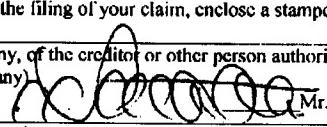
/s/Howard S. Steel
Howard S. Steel

Honorable Robert D. Drain
United States Bankruptcy Judge
United States Bankruptcy Court for the Southern District of New York
One Bowling Green
Room 610
New York, New York 10004

Delphi Corporation
Attn: General Counsel
5725 Delphi Drive
Troy, Michigan 48098
Fax: (248) 813-2673

Skadden, Arps, Slate, Meagher & Flom LLP
Attn: John Wm. Butler, Jr., Esq.
John K. Lyons, Esq.
Joseph N. Wharton, Esq.
333 West Wacker Drive
Suite 2100
Chicago, Illinois 60606
Fax: (312) 407-0411

EXHIBIT A

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK		PROOF OF CLAIM	
Name of Debtor Delphi Automotive Systems LLC	Case Number: 05-44640	THIS SPACE IS FOR COURT USE ONLY	
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" of payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (The person or entity to whom the debtor owes money or property): Sojitz Corporation of America.	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input checked="" type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.		
Name and Addresses Where Notices Should be Sent Sojitz Corporation of America 1211 Avenue of the Americas New York, New York 10036 Attn: Richard Paice, Esq. Kelley Drye & Warren LLP 101 Park Avenue New York, New York 10178 Attn: James S. Carr, Esq. Edward J. Leen, Esq.			
Account or other number by which creditor identifies debtor:	Check here if this claim: <input type="checkbox"/> replaces or <input type="checkbox"/> amends a previously filed claim, dated:		
1. Basis for Claim <input checked="" type="checkbox"/> Goods sold and delivered <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other	<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) List four digits of SS# _____		
2. Date debt was incurred: 10/8/05 and thereafter	3. If court judgment, date obtained:		
4. Classification of Claim. Check the appropriate box or boxes that best describe your claim and state the amount of the claim at the time case filed. See reverse side for important explanations.			
Secured Claim. <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>Cash</u> Value of Collateral: <u>\$55,000</u> Amount of arrearage and other charges at the time case filed included in secured claim above, if any <u>\$55,000</u>	Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Domestic support obligations – 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B) <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,000),* earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Contributions to an employee benefit plan – U.S.C. § 507(a)(5) <input type="checkbox"/> Up to \$2,225* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties of governmental units – 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507(a) _____. <small>*Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>		
5. Total Amount of Claim at Time Case Filed: <u>\$71,344.36</u> (Unsecured)	<u>\$55,000</u> (Secured)	<u>\$</u> (Priority)	<u>\$126,234.36</u> (Total)
<small>*If all or part of your claim is secured or entitled to priority, also complete Item 5 or 7 below.</small> <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.			
CREDITOR RESERVES ITS RIGHT TO FILE AN AMENDED CLAIM			
6. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.	THIS SPACE IS FOR COURT USE ONLY		
7. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. Documents already in possession of the Debtor.			
8. Date – Stamped Copy: To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			
Date: July 24, 2006	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)		 Mr. Takashi Tsukada, CFO

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.



054464006072600000000043